

## Update

### CA UIC Briefing for RA – July 21, 2016

#### Aquifer Exemptions

\* **AE Compliance Schedule regulations:** State completed their rulemaking in April 2016, codifying the compliance dates for Class II wells to shut-in if AEs are not approved. Ongoing litigation by enviros seeking earlier closure of wells; operators are seeking extended deadlines. [Shut-in Deadlines: **Oct 2015** for disposal in sub-3,000; **Dec. 2016** for 11 aquifers historically treated as exempt; and **Feb 2017** for the rest]

#### See Aquifer Exemption Pipeline Table

- State is messaging to operators that packages not received by **August 15, 2016** will not make timeframe for EPA review/approval by February 15, 2017 (our UIC Compliance Schedule includes a **deadline of October 15, 2016** for submission to EPA of any AEs for decision by February 15, 2017).

- Some operators are okay with shutting-in, and may still seek AE approval beyond Feb 2017.
- Some operators are seeking approval for replacement wells into exempt zones/non-USDWs.
- Some operators are grumbling about the deadline and seeking a legal extension of the dates.

- To facilitate EPA's review of packages and timely identification of key issues, we are requesting earlier review of packages (2-3 weeks before state public notices). We are also instituting bi-monthly tracking meetings with the state.

\* **Arroyo Grande AE Request (Coastal District):** State formally submitted to EPA in February 2016; April 2016 letter from EPA requesting additional information; EPA and the state held informal discussions regarding state's proposed responses. Awaiting DOGGR's formal response. **Supplemental information will require EPA to seek public input – public comment period; opportunity for in-person meetings and/or public hearing.**

*Deliberative. Do not quote or cite. Not for FOIA release.*

## Additional Class II UIC Program Compliance Activities

\* **UIC Program Rulemaking:** 1<sup>st</sup> phase of rulemaking underway to **address shortcomings in UIC program identified by EPA and to modernize and improve their UIC rules** [defining USDW, standards/permitting for cyclic steaming, MIT requirements, standards/process for establishing max injection pressure]; EPA provided comments on AOR for cyclic steam wells, USDW definition, and clarifying that gas storage wells are not UIC regulated. **Regulatory effort on gas storage has taken precedence over UIC rulemaking.**

\* **Project-by-project reviews:** In response to an internal DOGGR audit (the Cypress Report), which found inadequate project reviews for some approved injection projects, **the state committed in their October 2015 UIC Renewal Plan to review all approved injection projects.** DOGGR's Renewal Plan timeframe was to initiate the project reviews in Fall 2015 and complete all reviews by April 2017, with Project Approval Letter (PAL) revisions ongoing, as needed. The Aliso Canyon gas release and gas storage regulatory efforts have delayed DOGGR's schedule.

- The state estimates they will need to complete about **900 project reviews.** We are continuing to work with the state to prioritize project reviews (e.g., projects in fields where state is seeking AE; disposal wells; wells in fresher aquifers; projects with no Area of Review analysis). In addition, since this activity was not part of the original March 2015 UIC Compliance Plan, we are continuing to discuss how activities/milestones from this effort may be incorporated into the Plan.

\* **Class II UIC Database (WellSTAR):** State tracking and reporting system; **proof of concept began in January 2016;** using an accepted Class II dbase platform developed by GWPC and tailoring it for CA. **State expects to have an initial, operable data system by Feb 2017.**

## Communications/Outreach

- Outreach to McCarthy's and Capps' staff
- Draft Appropriations language
- NRDC/enviros petition; HQs meeting with petitioners
- Feinstein's staff inquiry
- Follow-up call with Pavley
- July meetings with industry; set up another round for October 2016
- Coordinate messaging of key deadlines (August 2016/October 2016/December 2016/February 2017) with state

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